

IN THE SENATE

SENATE BILL NO. 1329

BY EDUCATION COMMITTEE

AN ACT

RELATING TO EDUCATION; AMENDING SECTION 33-1004F, IDAHO CODE, TO REVISE PROVISIONS RELATING TO CERTAIN OBLIGATIONS TO RETIREMENT AND SOCIAL SECURITY BENEFITS; AMENDING SECTION 33-1004I, IDAHO CODE, TO REVISE A PROVISION RELATING TO PAY FOR PERFORMANCE BONUSES FOR STUDENT ACHIEVEMENT GROWTH AND TO REVISE CERTAIN DATES RELATING TO CERTAIN CERTIFICATED EMPLOYEES' NEW EMPLOYMENT CONTRACTS, TO ESTABLISH A PROVISION RELATING TO CERTAIN ADMINISTRATIVE EMPLOYEES' AWARD OF PAY FOR PERFORMANCE SHARES, TO REVISE A PROVISION RELATING TO A CERTAIN DISTRIBUTION AND TO ESTABLISH PROVISIONS RELATING TO A DISTRIBUTION ALLOCATED FOR CERTAIN BENEFIT COSTS; DECLARING AN EMERGENCY AND PROVIDING A CONTIN-  
GENT SUNSET DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 33-1004F, Idaho Code, be, and the same is hereby amended to read as follows:

33-1004F. OBLIGATIONS TO RETIREMENT AND SOCIAL SECURITY BENEFITS. Based upon the actual salary-based apportionment, as determined in section 33-1004E, Idaho Code, ~~plus distributions made pursuant to section 33-1004I, Idaho Code,~~ there shall be allocated that amount required to meet the employer's obligations to the public employee retirement system and to social security. In addition, from the moneys distributed pursuant to section 33-1004I, Idaho Code, there shall be allocated the portion required to meet the employer's obligations to the public employee retirement system and to social security for the remainder of the moneys so distributed.

SECTION 2. That Section 33-1004I, Idaho Code, be, and the same is hereby amended to read as follows:

33-1004I. PAY FOR PERFORMANCE -- HARD TO FILL POSITIONS -- LEADERSHIP AWARDS. (1) In addition to the moneys provided pursuant to the calculations for salary-based apportionment, the following amounts shall be distributed and paid, from the moneys appropriated to the educational support program, subject to the criteria contained in this section:

(a) For fiscal year 2013, an amount equal to five hundred forty-four (544) multiplied by the per statewide support unit value of salary-based apportionment and discretionary funds shall be distributed pursuant to subsection (2) of this section.

(b) For fiscal year 2014, an amount equal to seven hundred fifty-three (753) multiplied by the per statewide support unit value of salary-based apportionment and discretionary funds shall be distributed pursuant to subsections (2), (3) and (4) of this section, in the following proportions:

1 (i) Seventy-four and one-tenth percent (74.1%) pursuant to sub-  
2 section (2) of this section;

3 (ii) Seven and four-tenths percent (7.4%) pursuant to subsection  
4 (3) of this section;

5 (iii) Eighteen and one-half percent (18.5%) pursuant to subsec-  
6 tion (4) of this section.

7 (c) For fiscal year 2015 and each fiscal year thereafter, an amount  
8 equal to seven hundred seventy (770) multiplied by the per statewide  
9 support unit value of salary-based apportionment and discretionary  
10 funds shall be distributed pursuant to subsections (2), (3) and (4)  
11 of this section, plus fifty percent (50%) of any moneys appropriated  
12 for increased pay for certificated staff beyond the amount needed to  
13 fund the base and minimum instructional salaries, pursuant to section  
14 33-1004E, Idaho Code, that were in effect during fiscal year 2009. Such  
15 distributions made pursuant to subsections (2), (3) and (4) of this  
16 section shall be made according to the allocations established in sub-  
17 section (1) (b) of this section.

18 (d) The provision in subsection (1) (c) of this section that directs  
19 that fifty percent (50%) of certain moneys be distributed pursuant to  
20 subsections (2), (3) and (4) of this section shall be effective until  
21 such time as fifteen percent (15%) of the total moneys appropriated  
22 for certificated staff salaries are being distributed pursuant to this  
23 section. After this allocation is attained, fifteen percent (15%) of  
24 the total moneys appropriated for certificated staff salaries shall be  
25 distributed pursuant to subsections (2), (3) and (4) of this section.  
26 Such distributions made pursuant to subsections (2), (3) and (4) of this  
27 section shall be made according to the allocations established in sub-  
28 section (1) (b) of this section.

29 (e) For the purposes of this subsection, the term "statewide support  
30 units" shall mean the total number of support units calculated for the  
31 purposes of distributing salary-based apportionment in the previous  
32 fiscal year.

33 (f) In the event of a reduction in the moneys appropriated for certifi-  
34 cated staff salaries, the calculations established pursuant to subsec-  
35 tions (1) (b) through (d) of this section shall be performed in reverse.

36 (2) Share-based pay for performance bonuses for student achievement  
37 growth and excellence.

38 (a) Certificated employees shall be awarded state shares based on the  
39 performance of whole schools.

40 (i) Growth -- Utilizing a state longitudinal data system for  
41 students, the state department of education shall develop a sys-  
42 tem for measuring individual student growth. Such system shall  
43 compare spring student scores on the state-mandated summative  
44 achievement tests ("spring test") from one year to the next, and  
45 establish percentile rankings for individual student growth by  
46 comparing students with ~~an identical~~ similar spring test score in  
47 the previous year with each other in the current year. A separate  
48 growth percentile shall be established for each student for each  
49 subject in which the spring test is given in consecutive grades.  
50 The median student growth percentile, based on measuring all el-

igible students, shall be the growth score for each school. All certificated employees at a school with a median growth score in the following ranked quartiles shall be awarded state shares as follows:

	Instructional	Administrative
1st Highest Quartile	1.00 shares	2.00 shares
2nd Highest Quartile	0.50 shares	1.00 shares
3rd Highest Quartile	0.25 shares	0.50 shares
4th Highest Quartile	0.00 shares	0.00 shares

(ii) Excellence -- The state department of education shall develop a system for comparing and ranking school spring test scores based on standardized scores, utilizing all grades and subjects tested. Based on each school's median standardized score, all certificated employees of a school in the following ranked quartiles shall be awarded state shares as follows:

	Instructional	Administrative
1st Highest Quartile	0.50 shares	1.00 shares
2nd Highest Quartile	0.25 shares	0.50 shares
3rd Highest Quartile	0.00 shares	0.00 shares
4th Highest Quartile	0.00 shares	0.00 shares

(iii) No certificated instructional employee shall receive more than one (1.00) share, the results of the quartile award tables for growth and excellence notwithstanding. No certificated administrative employee shall receive more than two (2.00) shares, the results of the quartile award tables for growth and excellence notwithstanding.

(iv) Students whose spring test results are excluded from the school's results for federal accountability purposes shall be excluded from school growth and excellence calculations.

(v) For schools that do not administer the spring test, or for which no spring test growth calculation is possible, the school and its certificated employees shall be included with the school to which the students matriculate.

(vi) For certificated employees assigned more than one (1) school, state shares shall be earned pro rata, based on the percentage of the employee's time assigned to each school at the time that students take their spring tests. In addition, for part-time employees, state shares shall be earned pro rata, based on such employee's full-time equivalency status.

(vii) The number of schools in each quartile shall be based on the number of certificated employees employed at the schools, with as close to twenty-five percent (25%) of such employees falling within each quartile as possible.

(viii) For certificated employees not assigned to a specific school, all new employment contracts signed on or after July 1,

2014~~2~~, shall provide that at least five percent (5%) of the total available compensation be based on growth in student achievement, as determined by the board of trustees. Such percentage shall increase to ten percent (10%) of the total available compensation for contracts signed on or after July 1, 2015~~6~~, and fifteen percent (15%) for contracts signed on or after July 1, 2019~~20~~.

(b) Local shares shall be awarded to certificated employees based on performance. Each board of trustees shall develop a plan for awarding local pay for performance shares in consultation with certificated employees. Local share awards to certificated instructional employees shall be based on the performance of groups of such employees, unless there is only one (1) such employee in the school district. No employee shall receive more than one (1.00) local share. For part-time employees, local shares shall be earned pro rata, based on such employee's full-time equivalency status. Local share awards shall be based on one (1) or more of the following measures:

- (i) Student test scores;
- (ii) Student graduation rate;
- (iii) Student dropout rate;
- (iv) Percent of graduates attending postsecondary education or entering military service;
- (v) Making federally approved adequate yearly progress;
- (vi) Number of students successfully completing dual credit or advanced placement classes;
- (vii) Percent of students involved in extracurricular activities;
- (viii) Class projects;
- (ix) Portfolios;
- (x) Successful completion of special student assignments;
- (xi) Parental involvement;
- (xii) Teacher-assigned grades;
- (xiii) Student attendance rate; and
- (xiv) Various other criteria determined by local districts, subject to approval by the state department of education.

For any school district in which the board of trustees fails to adopt a plan for awarding local pay for performance shares by September 1, local shares awarded for performance in that school year shall be identical to the number of state shares awarded for each certificated employee; provided however, that certificated administrative employees shall be awarded half of the number of state shares earned by each such employee.

(c) Individual pay for performance bonuses shall be calculated as follows:

- (i) Divide the moneys available for pay for performance bonuses by the total number of state shares earned by certificated employees statewide.
- (ii) To determine the amount of pay for performance bonus funds to distribute to each school district, multiply the result of subparagraph (i) of this subsection by the number of state shares earned by certificated employees in the school district.

(iii) To establish the value of a share in each school district, the school district shall divide the funds distributed by the state department of education pursuant to subparagraph (ii) of this subsection by the total number of state and local shares earned by all certificated employees who earned at least a fraction of both a state and local share.

(iv) Multiply the total number of state and local shares earned by each certificated employee of the school district who earned at least a fraction of a state and local share by the result of subparagraph (iii) of this subsection. Certificated employees who do not earn at least a fraction of both a state and local share shall not be eligible to receive a pay for performance bonus. Pay for performance bonuses shall be paid by school districts to qualifying certificated employees in a lump sum by no later than December 15 following the spring test of the prior school year.

(3) Hard to fill position bonuses.

(a) The state board of education shall designate certificates and endorsements held by certificated instructional staff for hard to fill position bonuses. The board shall rank the certificates or endorsements to be so designated based on the relative difficulty of school districts' ability to recruit and retain such personnel. No additional certificates or endorsements may be added to the rankings beyond the first such certificate or endorsement that causes the number of certificates or endorsements to equal or exceed one-third ( $1/3$ ) of the total certificates and endorsements held by certificated instructional public school employees in the state. The board shall review and alter such rankings and designations at least once every two (2) years based on market conditions. Any changes in rankings and designations shall be made by the board by no later than March 31 of the previous school year, and school districts shall be promptly notified of any changes.

(b) School district boards of trustees may choose to designate certificates and endorsements held by certificated instructional employees for hard to fill position bonuses, provided such certificates and endorsements have been so designated by the state board of education as provided in subsection (3)(a) of this section. School boards of trustees choosing to make such designations shall rank the certificates and endorsements based on the relative difficulty of recruiting and retaining such personnel. No additional certificates or endorsements may be added to the rankings beyond the first such certificate or endorsement that causes the number of the district's full-time equivalent employees utilizing such certificates and endorsements to equal or exceed ten percent (10%) of the certificated instructional positions employed by the district; provided however, the number of such employees who may be designated shall not be less than one (1). The amount distributed for utilization by each district shall be based on each district's share of the total certificated instructional employees statewide. Funds so distributed shall be paid solely to certificated instructional personnel holding the certifications and endorsements designated by the local school board, in amounts that shall be determined at the discretion of the local board, which may vary between, but not within, individual cer-

1        tificate and endorsement areas; provided however, no award shall exceed  
 2        twice the statewide average bonus paid per certificated instructional  
 3        employee pursuant to subsection (2) of this section.

4        (c) School districts may apply to the state board of education to waive  
 5        the requirement that a certificate or endorsement designated by the  
 6        school district for hard to fill position bonuses first be designated  
 7        for such by the state board of education. The state board of education  
 8        may grant such a waiver for good and rational cause.

9        (d) In order to receive a hard to fill position bonus, an individual  
 10       must actually be providing instruction or service within the designated  
 11       certificate or endorsement area.

12       (e) If an individual qualifies for a hard to fill position bonus in more  
 13       than one (1) certificate or endorsement, the individual shall be allo-  
 14       cated and paid on a full-time equivalency basis, based on the relative  
 15       time spent in each of the qualifying areas.

16       (f) School district boards of trustees choosing to utilize hard to fill  
 17       position bonus funds shall designate a new list of certificates and en-  
 18       dorsements for such bonuses for each school year by no later than June 11  
 19       of the previous school year. The new list may be identical to the list  
 20       from the previous school year, subject to the current ten percent (10%)  
 21       limitation requirements.

22       (g) If the board of trustees determines that it will be unable to at-  
 23       tract a qualified candidate to serve in a hard to fill position, even  
 24       with the addition of such bonus funds, the board may use such funds  
 25       to pay for the training and coursework needed by a currently unquali-  
 26       fied employee or other individual to gain such qualification. If such  
 27       payment is authorized, the amount paid for an individual in a fiscal  
 28       year shall not exceed twice the statewide average bonus paid per cer-  
 29       tificated instructional employee pursuant to subsection (2) of this  
 30       section. The individual for whom training and coursework is paid in  
 31       such manner must earn a passing grade for the training and coursework  
 32       that is paid by the school district and must work for the school district  
 33       at least one (1) year in the designated certificate or endorsement area  
 34       for each fiscal year in which the school district made payments for  
 35       training and coursework, or repay the funds.

36       (h) Hard to fill position bonuses shall be paid by school districts to  
 37       qualifying certificated instructional employees by no later than De-  
 38       cember 15, in a lump sum payment.

39       (4) Leadership awards.

40       (a) School district boards of trustees may designate up to twenty-five  
 41       percent (25%) of their certificated instructional employees for lead-  
 42       ership awards. Such awards shall recognize excellence, be valid only  
 43       for the fiscal year for which the awards are made and require one (1) or  
 44       more of the following additional duties:

- 45            (i) Teacher or other instructional staff mentoring;
- 46            (ii) Content leadership;
- 47            (iii) Lead teacher;
- 48            (iv) Peer teaching coach;
- 49            (v) Content specialist;
- 50            (vi) Remedial instructor;

- (vii) Curriculum development;
- (viii) Assessment development;
- (ix) Data analysis;
- (x) Grant writing;
- (xi) Special program coordinator;
- (xii) Research project;
- (xiii) Teaching professional development course;
- (xiv) Service on local/state/national education committee or task force;
- (xv) Providing leadership to a professional learning community;
- (xvi) Earning national board certification; and
- (xvii) Various other criteria determined by local districts, subject to approval by the state department of education.

Duties related to student activities and athletics shall not be eligible for leadership awards.

(b) Local school district boards of trustees shall require that the employee work additional time as a condition of the receipt of a leadership award.

(c) Local school district boards of trustees may grant multiple leadership awards with multiple additional duties. No employee, however, shall receive leadership awards in excess of twice the statewide average bonus paid per certificated instructional employee pursuant to subsection (2) of this section.

(d) Leadership awards shall be paid by school districts to qualifying certificated instructional employees in a lump sum payment upon completion of the additional duty.

(e) Employees with fewer than three (3) years of experience shall not be eligible for leadership awards. The term "experience" shall be as used for certificated instructional staff in section 33-1004A, Idaho Code.

(f) Notwithstanding the provisions of subsection (4) (a) through (e) of this section, employees who earned national board certification prior to July 1, 2011, and who are no longer receiving payments for earning such certification pursuant to section 33-1004E, Idaho Code, due to the repeal of the provision providing for such payments, shall be paid two thousand dollars (\$2,000) per year from the moneys allocated pursuant to this subsection (4) until all moneys that would have been paid under the previous provisions of section 33-1004E, Idaho Code, have been paid.

(5) School districts may shift moneys between the allocations for subsections (3) and (4) of this section. The ten percent (10%) limitation established in subsection (3) of this section and the twenty-five percent (25%) limitation established in subsection (4) of this section shall be adjusted accordingly.

(6) All distributions of moneys to school districts shall be made ~~as part of~~ by no later than the third payment to school districts required by section 33-1009, Idaho Code. A portion of the moneys so distributed shall be allocated to pay the employer benefit costs associated with the balance of the moneys distributed, pursuant to section 33-1004F, Idaho Code.

(7) School districts shall not enter into any contract that discriminates against those receiving a bonus award pursuant to this section.

1           (8) The state department of education may require reports of informa-  
2     tion as needed to implement the provisions of this section and provide re-  
3     ports to the governor, the legislature and the public.

4           (9) For the purposes of this section, the term "school district" also  
5     means "public charter school," and the term "board of trustees" also means  
6     "board of directors."

7           SECTION 3. An emergency existing therefor, which emergency is hereby  
8     declared to exist, Section 2 of this act shall be in full force and effect on  
9     and after its passage and approval.

10          SECTION 4. If Chapter 97, Laws of 2011, is rejected through voter refer-  
11     endum in November 2012, the provisions of this act shall be null void and of  
12     no further force or effect.